

April 6, 2001

Keith Klein, Manager
U.S. Department of Energy, Richland Operations
P.O. Box 550 (A7-50)
Richland, WA 999352

Subject: Proposed River Corridor Contract and Performance Measures

Dear Mr. Klein,

Clean-up of the River Corridor is important.

The proposed River Corridor contract should authorize and direct the contractor to perform the full scope of work of the Hanford Clean-Up Agreement more commonly known as the Tri-Party Agreement (TPA). The scope of work, performance expectations, and work required to earn fee should reflect the TPA. In no instance should contract decisions pre-empt regulatory and TPA processes.

The Hanford Advisory Board (HAB) has significant concerns regarding the nature and scope of this proposed contract. A full and open public dialogue should occur before the Department of Energy – Richland Operations Office (DOE-RL) issues a Request For Proposal.

- a) A contract should not have target “endpoints” for the contractor that may differ from TPA milestones or regulatory requirements for clean-up.
- b) Successful implementation of the closure contract concept requires well-defined and characterized projects for which target costs and fee can be reasonably established. This concept is not appropriate for many projects along the River Corridor. There is public controversy over proposed “end points.” Existing characterization information may not be adequate for a closure contract. These uncertainties will drive either high levels of contingency within contractor estimates (inflated costs) or cost overruns – both of which are unacceptable to the HAB.

DOE-RL should clearly disclose impacts on meeting TPA milestones and regulatory requirements for the rest of the site, if the proposed River Corridor contract accelerates workscope or authorizes new workscope.

The HAB also urges DOE-RL to prepare and maintain a complete matrix comparing TPA milestones and waste sites with the complete scope of work for each contractor, and the schedule required to be met by the contractor.

Very truly yours,

Todd Martin, Chair
Hanford Advisory Board

cc: Harry Boston, Manager, U.S. Department of Energy, Office of River Protection
Carolyn Huntoon, Department of Energy Headquarters
Martha Crosland, Department of Energy Headquarters
Chuck Findley, U.S. Environmental Protection Agency, Region 10
Tom Fitzsimmons, Washington Department of Ecology
Wade Ballard, Deputy Designated Federal Official
The Oregon and Washington Congressional Delegations
Michael Gearheard, Environmental Protection Agency,
Linda Hoffman, Washington Department of Ecology

This advice represents HAB consensus for this specific topic. It should not be taken out of context to extrapolate Board agreement on other subject matters.